



Is the OneCoin Compensation Plan permissible to join according to the Sharī'a?

بسم الله الرحمن الرحيم

هو الموفق

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الجواب ومنه الصواب

OneCoin Compensation Plan is a MLM scheme. OneCoin itself is a cryptocurrency or virtual currency. The joining fee varies from £100 (starter package) to £28,000 (special combo package) which allows you to buy tokens. The aim is to use these to 'mine' OneCoins at a later date. However when I searched and looked on <http://coinmarketcap.com/all/views/all/>, which lists all the cryptocurrency (640 of them to be exact); it does not exist!

In order to understand the contractual arrangement between OneCoin and the Independent Market Associate (the individual – IMA) one needs to read the terms and conditions.

The terms and conditions for OneCoin are available at https://www.onecoin.eu/page/details/terms_and_conditions and were accessed as this document is dated. Further details are found at https://www.onecoin.eu/page/details/ima_agreement. A link to the products was found on the website was not accessible www.onecoin.eu/als. So in short, neither does the currency exist or the products which can be bought with the tokens.

As is common with these schemes there is ambiguity and lack of detail as to what is being sold and owned and by whom. To illustrate the point, I have quoted two clauses which are seriously problematic from any perspective, as it gives an unbalanced, unfair advantage to one party (OneCoin) and not the other (IMA) and in fact at the cost of the other; it is quoted below;

Users hereby accept that the COMPANY reserves the right to, at any given time, change the Onecoin Compensation Plan. Should a change ever be needed it will be done to protect the longevity of Onecoin as a company, and therefore also provide a secure and long-term business for both me and Onecoin.

The said comes to ALL areas of the compensation plan including but not limited to any potential profit sharing or other benefits provided by the Onecoin Compensation Plan.

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However, the COMPANY does not warrant that product descriptions or other content is accurate, complete, reliable, current, or error-free.

This is also mentioned on the agreement;

7. COMPENSATION PLAN AND TERMS

See corporate web site "Global Compensation Plan" and future additions.

The IMA acknowledges and agrees that the COMPANY reserves the unequivocal right to change or modify the COMPANY'S Compensation Plan. The COMPANY will notify the IMA about any changes to the Compensation Plan within fifteen (15) days on the COMPANY website.

In short what that clause means is that the agreement between the IMA and the organisation can change in its entirety with no notice and completely at the behest of the organisation. This clause alone contains all the characteristics which are forbidden by the Sharī'a. The second clause is beyond comprehension in that the product description or any content is accurate or free from error.

This clauses contain in them what are termed **الشروط الفاسدة** (invalid conditions) and, even if agreed between the IMA and OneCoin, are not permissible by Sharī'a.

م: (والكتابة والإجارة والرهن بمنزلة البيع) ش: ذكر هذه المسألة تفريعا لمسألة القدوري - رَحِمَهُ اللهُ - وذلك نحو ما إذا كاتب عبده على جارية إلا حملها أو أجر داره على جارية إلا حملها أو رهن جارية إلا حملها، ففي الكل يفسد العقد كما يفسد البيع م: (لأنها) ش: أي لأن الكتابة والإجارة والرهن. م: (تبطل بالشروط الفاسدة، غير أن المفسد في الكتابة) ش: استثناء من قوله: تبطل بالشروط الفاسدة، يعني هذه الأشياء الثلاثة تبطل بالشروط الفاسدة إلا أن المفسد أي الشرط المفسد في الكتابة

البنية في شرح الهداية لابي محمد محمود بن احمد العيني، ج ٧، ص ٢٤٧، دار الفكر، بيروت، ١٩٩٠

فلأن الشرط الفاسد وهو ما يكون فيه منفعة لأحد المتعاقدين أو للمعقود عليه حتى يكون في معنى الربا

البنية في شرح الهداية لابي محمد محمود بن احمد العيني، ج ٧، ص ٢٥٦، دار الفكر، بيروت، ١٩٩٠

م: (لأن الإقالة لا تبطل بالشروط الفاسدة بخلاف البيع) ش: حيث يبطل بالشروط الفاسدة م: (لأن الزيادة يمكن إثباتها في العقد فيتحقق الربا) ش: لأن في الشرط شبهة الربا.

لأن فيه منفعة لأحد المتعاقدين وهو مستحق بعقد المعاوضة خال عن العوض.

البنية في شرح الهداية لابي محمد محمود بن احمد العيني، ج ٨، ص ٢٩٥، دار الفكر، بيروت، ١٩٩٠

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م: (بخلاف البيع) ش: فإنه يبطل بالشروط الفاسدة م: (لأنه - عَلَيْهِ الصَّلَاةُ وَالسَّلَامُ - «نهى عن بيع وشرط» ش: هذا الحديث أخرجه الحارث في مسند أبي حنيفة عن عمرو بن شعيب عن أبيه عن جده «أن النبي - صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ - نهى عن بيع وشرط» وقد طعنوا في هذا الحديث وقد مر الكلام فيه مستوفى في كتاب البيوع م: (ولأن الشرط الفاسد في معنى الربا) ش: لأنه لما قبل المبيع بالثمن خلاف الشرط عن العوض، وفيه منفعة لأحدهما أو للمعتود عليه وهو من أهل الاستحقاق. وليس الربا إلا بمال يملك بالعقد من غير عوض، والشرط الذي قلنا له حكم المأل لأنه يجوز أخذ المعوض عليه م: (وهو يعمل في المعاضات دون التبرعات)

البنية في شرح الهداية لابي محمد محمود بن احمد العيني، ج ١٠ ، ص ٢٥٧-٨ ، دار الفكر، بيروت، ١٩٩٠

It is abundantly clear from these references that an invalid condition, that which gives benefit to one of the transacting parties and has no benefit in exchange is considered as ribā. This coupled with gharar (uncertainty), jahala (lacking knowledge) in the actual transaction not only brings about this specific issue to be impermissible but this actually brings about an invalidity to the complete transaction and arrangement between the IMA and OneCoin.

Therefore it is not permissible for a Muslim to join this compensation plan. Contractually, it is akin to ACN, in fact it takes MLM to a new level; so I advise you to read the detailed analysis which can be found at the link below.

<http://www.irtis.org.uk/images/Articles/A%20Study%20of%20the%20legality%20of%20the%20ACN%20Compensation%20Scheme%20according%20to%20Islamic%20Principles.pdf>

والله اعلم وعلمه أتم

أمجد محمود محمد عفا الله عنه

Amjad M Mohammed

2nd Jamada al-Ukhra 1437/12th March 2016

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